

FISCAL NOTE

SB 158 - HB 124

February 7, 2005

SUMMARY OF BILL: Creates a new dispute resolution process by allowing taxpayers the right to a formal hearing to discuss a tax assessment before an administrative judge or hearing officer from the Administrative Procedures Division (APD) of the Secretary of State's office.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$386,000 Recurring
\$88,000 One-Time**

Assumptions:

- This bill requires reallocation of staff members from the Department of Revenue's Hearing Office to the Audit and Legal Divisions, resulting in a net decrease in state expenditures of approximately \$10,100 per year.
- One-time state expenditures for office set-up in the Audit and Legal Divisions estimated to be \$19,900 and \$9,200 respectively.
- Additional one-time state expenditures for moving expense for closing the Hearing Office estimated to be \$10,000.
- Hiring of one new Administrative Assistant in APD estimated to increase state expenditures approximately \$54,244.
- Hiring of three new Administrative Judges in APD estimated to increase state expenditures by approximately \$342,195.
- One-time state expenditures for office setup for new APD personnel estimated to be \$48,760.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director